This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 11 TEL AVIV 001887

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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
USCINCCENT MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO FOR ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

E.O. 12958: N/A
TAGS: <u>IS KMDR MEDIA REACTION REPORT</u>
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

11. Mideast

12. Iran

Key stories in the media:

On Sunday, Ha'aretz reported that Israel and the US are beginning discussions of Prime Minister Ehud Olmert's convergence plan this week. The newspaper wrote that the working assumption among senior Israeli officials is that the US administration supports the plan and views it as "the only game in town." Ha'aretz said that two major issues are on the agenda: the timeline for the plan and the nature of the support to be extended by the USG. On Sunday, Israel Radio and other media reported that three of the prime minister's advisers -- Dov Weisglass, Shalom Turgeman and Yoram Turbowicz -- left for Washington Saturday night in order to prepare Olmert's visit. They will meet with Secretary of State Condoleezza Rice, National Security

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Advisor Stephen Hadley and with Deputy National Security Advisor Elliott Abrams. The radio said that during his visit to Washington, Olmert will meet with President Bush, Vice President Cheney, the Secretary of State and Secretary of Defense Donald Rumsfeld, as well as with leaders of the Senate and of the House of Representatives, and speak to a joint meeting of Congress. Olmert is also expected to meet with leaders of Jewish organizations. On Sunday, Yediot reported that three senior members of the American Jewish leadership -- Harold Tanner, Malcolm Hoenlein, and James Tisch - were to meet that day in Jerusalem with Olmert, and pass on a message they received from the administration in Washington: Don't ask the President for money to finance convergence at your meeting with him in the White House. Yediot reported that The New York Sun recently reported that officials in the White House and the National Security Council recently passed on discreet messages to Jewish leaders: it would be best if Olmert's first visit to Washington as prime minister were to focus on expansive strategic issues. Yediot wrote that The New York Sun asked for the response of Israeli Ambassador to the US Danny Ayalon, who denied that Olmert had any intention of asking for an aid package to finance convergence.

All media (Yediot's banner) reported that on Sunday in the area of Jenin, IDF troops killed a Palestinian civilian and 6 Islamic Jihad activists — including most wanted terrorist Elias Ashkar, the head of Islamic Jihad in the northern West Bank, believed to have been behind all of the group's suicide attacks over the past year, including the latest suicide bombing in Tel Aviv. Over the weekend, the media reported that IDF forces on Friday found an explosives belt that weighed up to 10 kg and was apparently intended for an attack in Israel. On Sunday, Ha'aretz reported that on Friday, IDF soldiers shot dead an armed Fatah activist in Nablus. Leading media reported that on Sunday off the Gaza shore, the Israel Navy seized a Palestinian boat, which

contained several hundred kg of military-grade explosives and mines, and arrested the crew.

The Jerusalem Post wrote that it is not clear that the US will be able to influence the mechanism being developed by the European Commission to provide humanitarian aid to the Palestinians while bypassing the Hamas government. Citing European Commission officials whom The Jerusalem Post interviewed on Sunday, the newspaper said that if the US does not approve the mechanism, it is possible that a splintering of funding strategies will emerge, leading to the payment of PA salaries by Europe and international donors. Maariv reported that the EU is expected to announce today that it is resuming its financial aid to the PA.

Major media (lead story in The Jerusalem Post) reported that the tension between Olmert and Defense Minister Amir Peretz continues. Media reported that on Sunday the government did not debate a proposal put forward by Peretz Wednesday that 50 million shekels of tax revenue withheld from the PA be set aside for the purchase of medical equipment for the Palestinians.

All media report that on Sunday, the High Court of Justice rejected, 6-5, petitions to reject amendments against the Citizenship Law, which prevents Palestinians from requesting residency status in Israel by virtue of "family unification" with Israel. In its lead story, Ha'aretz quoted Justice Minister Haim Ramon as saying in an interview with the newspaper that he planned to legislate a basic law to anchor Israel's immigration policy, and that he would bring it before the Knesset for approval within about half a year. Other media quoted Ramon as making similar remarks.

Ha'aretz reported that last week, two senior Israeli nuclear experts -- Atomic Energy Commission DG Gideon Frank and his deputy in charge of policy, Eli Levita -- visited Washington and discussed international efforts to contain Iran's nuclear program. The newspaper wrote that their visit came ahead of Olmert's trip to the US, and that Mossad Director Meir Dagan, who, on Olmert's behalf, concentrates efforts for a "political obstruction" of Iran's nuclear policy, came to Washington in late April for talks with his American counterparts. On Sunday, major media (banner in Yediot) cited a UN claim that enriched uranium was discovered in an Iranian military installation. Yediot quoted an Israeli expert as saying that this could be the "smoking gun in a smoke-filled room."

On Sunday, Ha'aretz and other media reported that IDF soldiers have been escorting Palestinian schoolchildren from the southern Hebron hills to protect them from attacks by settlers from the Maon farm. On Sunday, in another development, Ha'aretz quoted senior army officers as saying that in the wake of an attempt by settlers to burn down a trailer in a Palestinian quarry near Nablus Thursday, Peretz ought to implement the decision of his predecessor, Shaul Mofaz, to remove the nearby illegal outpost, Bracha B.

Leading media reported that Daniel Wultz, the 16-year-old American tourist who was critically wounded in the Passover suicide bombing at Tel Aviv's central bus station, died of his wounds on Sunday, two days after another victim, Lior Enidzer. Ha'aretz reported that US Ambassador to Israel Richard Jones visited Wultz recently.

On Sunday, The Jerusalem Post reported that several greenhouses belonging to the former settlement of Morag in the Gaza Strip were destroyed over the weekend during an attempt by dozens of gunmen to take over the area.

Major media reported that on Sunday, the cabinet approved the composition of the security cabinet, which will be chaired by PM Ehud Olmert and heavily dominated by Kadima. Kadima will have seven representatives on the panel, with Olmert being joined by Tzipi Livni, Avi Dichter, Abraham Hirchson, Shaul Mofaz, Haim Ramon, and Shimon Peres. Three ministers from Labor -- Amir Peretz, Binyamin Ben-Eliezer, and Ophir Pines Paz will also sit in the security cabinet, along with Eli Yishai and the Gil Pensioners' Party Rafi Eitan.

Citing news agencies, Ha'aretz reported that on Sunday, Palestinian Authority PM Ismail Haniyeh called on Middle East peace brokers to deal directly with the Hamas-led government, saying Palestinians cannot afford to wait weeks for a new aid mechanism that bypasses Hamas. On Sunday, citing AP, Ha'aretz reported that on Saturday, Norwegian Foreign Ministry officials met with

Palestinian Minister for Refugee Affairs Atef Adwan in Oslo and called upon the group to renounce violence against Israel. The newspaper reported that the Norwegian government announced on Friday that it was going to increase by some 50 percent the financial aid it provides to the PA, and that it would now reach USD 25 million, which will be transferred via the UN Relief and Works Agency. Today, Hatzofe reported that pressure applied by the Austrian Foreign Ministry led to the cancellation of a planned visit by Atef Adwan to Austria. Hatzofe reported that the Palestinian minister was invited to Austria by a left wing organization called the Council Against Imperialism, which is opposed to the policies of the US and Israel. On Sunday, Hatzofe reported that the Palestinians intended to send a truck loaded with medicine from the Gaza Strip to the West Bank that day. Hatzofe quoted Israeli security officials as saying that this proves that the Palestinians have a sufficient supply of medicine, despite their cries of dismay.

On Sunday, Ha'aretz reported that on Saturday, for the first time, Haniyeh said that the "national reconciliation" document drafted last week in the Hadarim prison by Fatah leader Marwan Barghouti and Sheikh Abdel Halek Natshe of Hamas, which calls for accepting the principle of establishing a Palestinian state on the land occupied in 1967 as well as the agreements signed previously by the PA with Israel and the international community, "contains worthy principles to which agreement is possible." However, Haniyeh said that other prisons are not a party to it and that the document therefore must be studied further.

Citing information conveyed by associates of PA Chairman [President] Mahmoud Abbas to Israeli defense sources, Ha'aretz reported that the Palestinian security forces believe that Islamic Jihad plans to assassinate Abbas.

Over the weekend, major media reported that on Saturday, hundreds of Palestinian and Israeli protesters clashed with police and Border Police in the A-Ram neighborhood of Jerusalem during a protest against the neighborhood's enclosure by fences and checkpoints.

The Jerusalem Post reported that a High Court ruling Sunday paved the way for local authorities of Jewish settlements in the West Bank to use state funds to fight any future withdrawal plans, even as it warned that they may face financial penalties by doing so. The ruling was hailed as a victory by both the petitioner, Peace Now (for the Court's acknowledging of the funding), and the respondent, the Council of Jewish Settlements in the Territories.

On Sunday, The Jerusalem Post reported that defense attorneys in the case of Steve Rosen and Keith Weissman, two former AIPAC officials, cited the Legal Cooperation Treaty signed between Israel and the US in the late 1990s, that would allow for depositions from three diplomats referred to in the indictment, who are all in Israel.

The Jerusalem Post reported that Israel has been appointed to serve on the UN committee on NGOs for four years beginning January 1.

Ha'aretz and Yediot reported that Special Counsel Patrick Fitzgerald may ask Vice President Dick Cheney to submit evidence in the affair of the exposure of CIA agent Valerie Plame.

The Jerusalem Post quoted Pensioners Affair Ministers Rafi Eitan's spokeswoman as saying Sunday that he is planning to visit Cuba this month for a private business trip.

Ha'aretz reported that Israeli author A. B. Yehoshua has expressed his "deepest apologies" over comments he made at the recent American Jewish Committee's centennial symposium in the US, in which he asserted that only people living in Israel and taking part in the daily decisions of the Jewish state had a meaningful Jewish identity -- remarks that have sparked a furious debate over the relationship between Israel and the Diaspora.

The Jerusalem Post reported that the first and second prizewinners of Israel's Intel Young Scientists Competition have won second and fourth place in the International Intel Young Scientists Competition -- held over the weekend in Indianapolis -- in which they were pitted against 1,400 teenagers from 47 countries.

Yediot reported that Microsoft Israel takes steps against its employees who are called up for mandatory IDF reserve duty.

# <u>1</u>1. Mideast:

### Summary:

Columnist Anshel Pfeffer wrote in the conservative, independent Jerusalem Post: "Does Olmert have [Shas party mentor] Rabbi Ovadia Yosef's blessing for this traumatic and controversial plan? Obviously he doesn't."

Senior Middle East affairs analyst Zvi Bar'el wrote in independent, left-leaning Ha'aretz: "[Amir] Peretz is a good candidate to adopt [leadership], on condition that he does not decide that he should be, first and foremost, an intern chief of staff."

Columnist Dov Goldstein wrote in popular, pluralist Maariv: "Only through negotiations with the elected Palestinian leadership, and only through an agreement with such a leadership, is there a chance —- however slim it may be —- to find a solution for the conflict."

Senior Middle East affairs analyst Zvi Bar'el wrote in Ha'aretz: "The Arab response [to Hamas-led Palestine], no less than the American and Israeli one, made clear to Hamas leaders that they are facing a front the likes of which no Arab state has faced before."

Senior op-ed writer Akiva Eldar commented in Ha'aretz: "If we ... continue the occupation, we should not be surprised when the occupied take our fate into their hands."

The Director of the Interdisciplinary Center's Global Research in International Affairs Center, columnist Barry Rubin, wrote in The Jerusalem Post: "The idea that the West should subsidize, directly or indirectly, a radical Islamist, innately anti-American, anti-Semitic, and genocidal-oriented Hamas regime is crazy."

#### Block Quotes:

 $\P$ I. "Olmert Going to US With a Precarious Coalition Rehind Him"

Columnist Anshel Pfeffer wrote in the conservative, independent Jerusalem Post (5/15): "The date for Olmert's trip was decided months in advance. It seemed reasonable to assume that the coalition and government would be wrapped up a month and a half after the elections, and Olmert would be able to lean back and enjoy his flight. Olmert kept to his schedule, but the coalition that he achieved is limited and precarious.... Olmert is going to Washington to receive Bush's agreement to his convergence plan. Most observers believe that he will return home with the appropriate assurances. But does Olmert have Rabbi Ovadia Yosef's blessing for this traumatic and controversial plan? Obviously he doesn't or Shas wouldn't have insisted upon and received a letter exempting it from the clause in the coalition guidelines about leaving settlements."

### II. "A Necessary Rebel"

Senior Middle East affairs analyst Zvi Bar'el wrote in independent, left-leaning Ha'aretz (5/14): "Just let [Defense Minister Amir Peretz] not suddenly start 'understanding security.' Let him keep turning over every stone and looking with wonder at what he finds underneath. Let him not be insulted by officers who wink behind his back or even make the sign of horns with their fingers behind the head. Because this is the only way Amir Peretz will be able to break the thick layer of ice that has long covered what should be a bonfire of original thought. The first signs are positive.... The hope that the well-arranged IDF chest of drawers, which contains a 'file' for every scenario and a 'response' to every event, will at least be aired out if not sanitized, expresses an aspiration toward a

revolution in understanding, a hope for a situation in which the scenario is planned instead of fallen into or responded to.... However, the word 'withdrawal' does not exist in the IDF lexicon. There it is 'disengagement,' 'convergence,' or 'redeployment.' Peretz may find himself once again facing one of the stuck drawers in the chest. The question may also be asked, with all due respect to the United States of course, what about Syria? Must Assad's statements always be responded to instead of adopting a policy of willingness to conduct negotiations? For all these reasons, that mysterious attribute called 'statesmanship' is needed. Peretz is a good candidate to adopt it, on condition that he does not decide that he should be, first and foremost, an intern chief of staff."

#### III. "Talk With Abu Mazen"

Columnist Dov Goldstein wrote in popular, pluralist Maariv (5/14): "Only through negotiations with the elected Palestinian leadership, and only through an agreement with such a leadership, is there a chance -- however slim it may be -- to find a solution to the conflict. Anything else is but an illusion... True, Abu Mazen's status was damaged after Hamas's victory in the elections. However, the Israeli government's working assumption that the Palestinian Authority's economic distress, the blocking of international financial assistance, and the inability to pay the salaries of PA employees and of the members of its security forces would cause the Hamas government to collapse and force the PA Chairman to declare new elections, turned out to be wrong."

## IV. "Freud Believed This Was the Land of Holy

Senior op-ed writer Akiva Eldar commented in Ha'aretz (5/15): "That same 'plucked fowl' [Mahmoud Abbas] who is clinging with all his might to the diplomatic option is receiving a blessing for the road from prisoner for life Marwan Barghouti, whose power no one denies. That same 'broken reed' who obtained an agreement to stop the terror attacks from Hamas is getting a document from Hamas prisoners that affords a chance, perhaps a last chance, for a two-state solution. If Israel looks away, as it did following the important declaration by the Arab League, we will yet be fondly missing Ismail Haniyeh. If we insist on adding to our collection of holy lunacies the wish 'to take our fate into our own hands' and continue the occupation, we should not be surprised when the occupied take our fate into their hands."

#### ¶V. "When the Arab Boycott Is Aimed at Palestine"

Senior Middle East affairs analyst Zvi Bar'el wrote in Ha'aretz (5/15): "Why is the Arab boycott of Hamas so successful? American pressure is an influential factor, but such threats never prevented European and Arab countries in the past from cooperating with Saddam Hussein or Muammar Qadhafi before sanctions were lifted, and does not prevent most of them from conducting normal trade tries with Iran. The difference is that Hamas is now perceived as unwilling to cooperate with the official Arab position adopted at the Beirut summit -- the Arab League resolution adopting the two-state principle and the 1967 borders.... The Arab response [to Hamas-led Palestine], no less than the American and Israeli one, made clear to Hamas leaders that they are facing a front the likes of which no Arab state has faced before. Hence the expectation that a change in Hamas's political stance is near."

#### VI. "Why Bail Hamas Out?"

The Director of the Interdisciplinary Center's Global Research in International Affairs Center, columnist Barry Rubin, wrote in The Jerusalem Post (5/15):
"Something about the Middle East makes people dopey. The latest example of this phenomenon is the plan, apparently endorsed by EU countries, to pay Palestinian Authority employees out of their own taxpayers' money... The European plan would ensure that continued extremism is cost-free. It would also show radical Islamists in Jordan, Egypt and elsewhere that they can take power, reject moderation, and still not face any real Western pressure. Vladimir Lenin, the communist revolutionary and dictator, liked to say the bourgeoisie was so dumb that it would sell the rope to hang itself with. Yet even he did not expect that those he intended to destroy would pay for the rope themselves... The idea that the West should subsidize, directly or indirectly, a radical Islamist, innately

anti-American, anti-Semitic, and genocidal-oriented
Hamas regime is crazy. Why should anyone -- much less
any country -- take such a notion seriously?"

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## Summary:

Columnist Amos Gilboa wrote in popular, pluralist Maariv: "Israel should formulate a comprehensive deterrence policy against Iran ... while continuing, of course, to view the US as the main factor in the battle against Iran."

Block Quotes:

"Updated Deterrence Policy Needed"

Columnist Amos Gilboa wrote in popular, pluralist Maariv (5/15): "Indeed, until August 2005, when [Mahmoud] Ahmadinejad was elected president, Iran did not directly threaten Israel's destruction (true, it was the 'little Satan' and an enemy of Iran against which terror was employed, but no more than that), and it did not make the goal of [Israel's] destruction its international 'battle cry.' Therefore, until then the correct Israeli policy was indeed to refrain from jumping to the head of the international queue against Iran, to focus solely on quiet diplomacy, to be part of the global coalition against Iran; and to remain silent publicly. But the reality has changed since the end of 2005, and in my opinion Israel should, therefore, update its policy -- remain silent no longer. In other words, Israel should formulate a comprehensive deterrence policy against Iran, including on the PR and declarative front (what should be said, by whom, when and how), while continuing, of course, to view the US as the main factor in the battle against Iran."

JONES